

OFFICIAL FILE

ILL. C. C. DOCKET NO. 02-0450

IAWC EXHIBIT No. 1

Witness

Date 9/25/02 Reporter CE

ICC DOCKET NO. 02 0450

JUL 6  
ILLINOIS  
COMMERCE COMMISSIONER'S OFFICE

JUL 2 Expires BW '02

TESTIMONY OF DENNIS R. WINGERTSAHN CHIEF CLERK'S OFFICE

APPLICATION FOR CONSENT TO AMEND AGREEMENT  
DATED MAY 20, 1961 WITH MITCHELL WATER DISTRICT

Q. Please state your name and business address, and telephone number, for the record.

A. Dennis R. Wingertsahn. My business address and telephone number are 100 North Water Works Drive, Belleville, Illinois 62223, phone (618) 239-3244.

Q. What is your position with Illinois-American Water Company ("Company" or "Illinois-American")?

A. I am the Manager of the Southern Division of Illinois-American Water Company.

Q. Would you give us a summary of your work experience?

A. I graduated from Point Park College, Pittsburgh, Pennsylvania receiving a B.S. Degree in Business Management in 1971. I received my M.S. Degree in Management from Indiana Wesleyan University, Marion, Indiana in 1995. In 1972, I began working for American Water Works Service Company in Pittsburgh, Pennsylvania as a Junior Accountant. In 1973, I advanced to the position of Accountant in the Rates and Revenues Department. In 1977, I was appointed Office Supervisor for the Kittanning District of Western Pennsylvania Water Company. In 1978, I accepted the Manager's position for Western Pennsylvania Water Company in Clarion Pennsylvania. In 1981, I was named Business Manager for the Alton Water Company and was named Manager in 1982. In 1986, I accepted the position of Director of Human Resources for the Mid-America Region of the American Water Works Service Company. In 1990, I was named Manager of the Muncie District for Indiana-American Water Company and in 1995 was named Manager of the

Eastern Operations for Indiana-American Water Company. In 1999, I accepted the position of Vice President Operations for Missouri-American Water Company. In December 2001, I accepted my current position with Illinois-American.

**Q. Are you familiar with the Petition which has been filed in this matter?**

**A.** Yes. By the Petition, Illinois-American Water Company ("Company") is requesting approval of Amendment No. 4 to the Agreement to provide water on a wholesale basis to Mitchell Water District which was originally entered into on May 20, 1961 and has previously been amended by Amendment No. 1 dated April 19, 1990, Amendment No. 2 dated December 8, 1993, and Amendment No. 3 dated June 2, 1999. This Agreement and Amendments Nos. 1, 2, and 3 were duly approved by Orders of the Commerce Commission in Case Nos. 47972; 90-0210; 94-0082; and 99-0322, respectively. Mitchell Water District now desires to further expand the territory in which it will resell water purchased from the Company to customers pursuant to the Agreement. A legal description of the additional area proposed to be served is attached to Amendment No. 4 as Exhibit A. Amendment No. 4 itself was attached to the Petition as Petitioner's Exhibit IAWC-1.01. Amendment No. 4 also provides a third connection point between the District's and the Company's facilities at the intersection of Illinois State Route 111 and East Chain of Rocks Road, as depicted on Exhibit B to Amendment No. 4. In order to extend Company facilities to such point of connection, the District has entered into a Water Main and Extension Deposit Agreement with the Company whereby the Company will install a 16-inch water main. With this third connection, the District will be authorized to take up to 3.27 MGD, in aggregate, from all three points of connection,

initially. Should the District require additional volume in the future, the District is required to give the Company at least twelve months notice, so that the Company may determine if additional facilities are required to provide such volume of water to the District. Should the District desire more than 3.27 MGD, the District will be responsible for any additional cost to add additional facilities necessary to provide such additional volume.

**Q. Are the terms of the Main Extension Agreement which had been entered into with the District consistent with Part 600 of the Commission's rules?**

**A.** No. A variance is requested which would provide that, in lieu of refunds based on servable front footage to which the District would normally be entitled under 83 Admin. Code 600.370, the District would be entitled to refunds from customers receiving water service from the Company in accordance with Section 7 of the Agreement. Section 7 provides that retail connections made within the Open Area, as depicted on Exhibit B to Amendment No. 4, which contains 2,215 acres, will be based upon a population equivalent method as follows: The PE Method assumes a population of 12 PE per acre with 1 PE equal to 55 gallons per day (gpd). Therefore, one acre is assumed to be equivalent to 660 gpd. The Refund is calculated as:

$$(\text{Acreage of Development} \times 12 \text{ PE/Acre} \times \text{Total Project Cost}) \div (2,215 \text{ acres} \times 12 \text{ PE/acre})$$

The following rules apply to the PE Method:

- The minimum land use is based on residential usage.
- The PE would be adjusted upward for land use that would use water in greater amounts than 660 gpd per acre. The fixture count method shall be utilized to

calculate such usage as described in 77 Il. Admin. Code-Section 890. Appendix A (Illinois Plumbing Code).

- Fire flows shall not be considered in the refund calculation.

In regard to wholesale customers of the Company, the refund to be paid to the District would be based upon connection size, as follows:

<u>Connection Size</u>	<u>Payment</u>
Up to 1"	\$20,000
>1" to 2"	\$40,000
>2" to 4"	\$60,000
>4" to 6"	\$90,000
>6" to 8"	\$120,000
>8" to 10"	\$150,000
>10" to 12"	\$225,000
>12" to 14"	\$275,000
Greater than 14"	\$350,000

The maximum amount reimbursed to the District would not exceed that paid by the District under the Agreement; and the refund period would expire after ten (10) years.

**Q. Does the Company presently have the capacity to provide service to Mitchell Water District for resale to such additional territory?**

**A. Yes.** The Mitchell Water District is served by the Company's Interurban District. The capacity and demand of the Interurban District treatment facilities is summarized as follows, including the current demand from Mitchell Water District:

	East St. Louis	Granite City	Combined
Rated Capacity	56.6	12.7	69.3
Avg. Daily Pumpage	35.188	9.96	45.148

Historical Max. Day	55.75	13.0	64.72
2001 Max. Day	47.252 (8/02/01)	11.967 (7/10/01)	58.608(8/02/01)

Mitchell Water District is served primarily by the Company's Granite City treatment facility. Additional capacity to the Granite City system is available through a 24" interconnection between the East St. Louis and Granite City systems. Currently, the estimated capacity of the 24" interconnection is 9 MGD. Thus, 21.7 MGD is currently available to the Granite City system.

**Q. Please explain how the historical maximum day demand can be greater than the treatment capacity for the Granite City facility.**

**A.** The rated capacity of a facility is based upon engineering calculations. Actual ability may exceed this theoretical number, for short periods of time.

**Q. Will any main extensions or easements be required to provide the additional service?**

**A.** Yes. As noted above, a sixteen inch (16") main will need to be installed to the intersection of Illinois Route 111 and East Chain of Rocks Road, a distance of approximately 14,300 feet. The District has entered into a Main Extension and Deposit Agreement for this purpose.

**Q. Will this extension be within the Company's present Certificated Area?**

**A.** Yes.

**Q. Has the Company determined the names of the landowners from whom it may require easements for the main extensions proposed in this docket?**

**A.** Yes. Attached hereto as **Exhibit 1.02** is a list containing the names and addresses of the

landowners from whom the Company may require easements in connection with the facilities requested to be approved in this docket.

**Q. Has the Company prepared and forwarded to each of the landowners listed on Exhibit 1.02 a packet in accordance with Part 300 of the Commission's rules?**

**A. Yes.** This packet was forwarded to the listed individuals on August 10 and 14, 2001. I have attached hereto as **Exhibit 1.03** a copy of the transmittal letter.

**Q. Was this packet also filed with the Clerk of the Commerce Commission?**

**A. Yes.**

**Q. Will any other terms of the Agreement be affected by proposed Amendment No. 4 other than the territory in which Mitchell Water District is to provide service and the addition of a connection point?**

**A. No.** The rates and other terms contained within the Agreement will not be affected.

**Q. Does this conclude your testimony?**

**A. Yes.**

**EXHIBIT LAWC-1.02**

**LANDOWNERS FROM WHOM  
COMPANY MAY REQUIRE EASEMENTS**

Alton Banking and Trust  
P. O. Box 1051  
Alton, IL 62002

Gordon and Mary Jane Gass  
4438 Gass Lane  
Pontoon Beach, IL 62040

Michael Boucher  
The Car Store  
1190 First Capital Drive  
St. Charles, MO 63301

Pontoon Baptist Church  
4000 Highway 111  
Granite City, IL 62040

Walters Metal Fabricator  
3660 Highway 111  
Granite City, IL 62040



# Illinois-American Water Company

100 N. Water Works Dr. • P.O. Box 24040 • Belleville, IL 62223 • (618) 277-7450 • FAX (618) 277-7498

KAREN H. COOPER  
Manager, Southern Division  
618/ 239-3244

August 10, 2001

Alton Banking and Trust  
PO Box 1051  
Alton, IL 62002

Ladies and Gentlemen:

Illinois-American Water Company has been requested to extend a water pipeline to provide additional water service to Mitchell Water District. A new sixteen-inch (16") pipeline will be constructed for this project. A description of the route this pipeline will follow is enclosed and entitled "Statement of Purpose."

Your property is located along this route. Consequently, we are requesting the granting of an easement for the purpose of constructing the new main.

Also enclosed is information from the Illinois Commerce Commission concerning acquisition of rights-of-way by Illinois utilities. After reviewing this statement, we invite you, as the landowner, to contact Mr. Bob McMillian, Operations Supervisor, at 618-239-3266 to arrange a mutually agreeable time for an appointment to further discuss this.

Thank you for your time and consideration towards the successful completion of this project.

Sincerely,



Karen H. Cooper  
Manager Southern Division

KHC/dmg  
Enclosures  
Via Certified Mail

Exhibit IAWC 1.03  
Page 1 of 5





# Illinois-American Water Company

100 N. Water Works Dr. • P.O. Box 24040 • Belleville, IL 62223 • (618) 277-7450 • FAX (618) 277-7498

KAREN H. COOPER  
Manager, Southern Division  
(618) 239-3244

August 10, 2001

Gordon and Mary Jane Gass  
4438 Gass Lane  
Pontoon Beach, IL 62040

Dear Mr. and Mrs. Gass:

Illinois-American Water Company has been requested to extend a water pipeline to provide additional water service to Mitchell Water District. A new sixteen-inch (16") pipeline will be constructed for this project. A description of the route this pipeline will follow is enclosed and entitled "Statement of Purpose."

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Thank you for your time and consideration towards the successful completion of this project.

Sincerely,

*Karen Cooper / dg*

Karen H. Cooper  
Manager Southern Division

KHC/dmg  
Enclosures  
Via Certified Mail



# Illinois-American Water Company

100 No. Water Works Dr. • P.O. Box 24040 • Belleville, IL 62223-9040 • (618) 277-7450 • FAX (618) 277-7498

August 14, 2001

Michael Boucher  
The Car Store  
1190 First Capital Drive  
St. Charles, MO 63301

Dear Mr. Boucher:

Illinois-American Water Company has been requested to extend a water pipeline to provide additional water service to Mitchell Water District. A new sixteen-inch (16") pipeline will be constructed for this project. A description of the route this pipeline will follow is enclosed and entitled "Statement of Purpose."

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Sincerely,

*Karen H. Cooper / dg*

Karen H. Cooper  
Manager Southern Division

KHC/dmg  
Enclosures  
Via Certified Mail



# Illinois-American Water Company

100 N. Water Works Dr. • P.O. Box 24040 • Belleville, IL 62223 • (618) 277-7450 • FAX (618) 277-7498

KAREN H. COOPER  
Manager, Southern Division  
618) 239-3244

August 14, 2001

Pontoon Baptist Church  
4000 Highway 111  
Granite City, IL 62040

Ladies and Gentlemen:

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Sincerely,

Karen H. Cooper  
Manager Southern Division

KHC/dmg  
Enclosures  
Via Certified Mail



# Illinois-American Water Company

100 N. Water Works Dr. • P.O. Box 24040 • Belleville, IL 62223 • (618) 277-7450 • FAX (618) 277-7498

KAREN H. COOPER  
Manager, Southern Division  
(618) 239-3244

August 14, 2001

Walters Metal Fabricator  
3660 Highway 111  
Granite City, IL 62040

Ladies and Gentlemen:

Illinois-American Water Company has been requested to extend a water pipeline to provide additional water service to Mitchell Water District. A new sixteen-inch (16") pipeline will be constructed for this project. A description of the route this pipeline will follow is enclosed and entitled "Statement of Purpose."

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Thank you for your time and consideration towards the successful completion of this project.

Sincerely,

Karen H. Cooper  
Manager Southern Division

KHC/dmg  
Enclosures  
Via Certified Mail

ICC DOCKET NO. 02-0450

ILLINOIS  
COMMERCE COMMISSION  
Petitioner's Exhibit EG-1  
Jul 2 1 05 PM '02

**DIRECT TESTIMONY OF ERIC GOWIN**

**APPLICATION FOR CONSENT TO AMEND AGREEMENT  
DATED MAY 20, 1961 WITH MITCHELL WATER DISTRICT**

CHIEF CLERK'S OFFICE

- Q. Please state your full name, business address, telephone number, and e-mail address for the record.**
- A. Eric Gowin. I am Director of Development for TriStar Business Communities. My business office is located at 13397 Lakefront Drive, Suite 200, Earth City, Missouri 63045-1514. My business telephone number is 314-291-9999, extension 1271; and my e-mail address is egowin@tristarbc.com.**
- Q. What is the interest of TriStar Business Communities in this proceeding?**
- A. TriStar Business Communities is developing the property known as Gateway Business Center, which will receive water service, through Mitchell Public Water District, from the water main to be installed pursuant to this proceeding. TriStar has two distribution facilities which will require water commencing January 1, 2003 and March 1, 2003, respectively. Additionally, a Flying J Truck Stop will be installed which will require water service during the fourth quarter of 2002. On a temporary basis, however, during the winter months, Flying J can receive its supply of water from Mitchell Public Water District prior to completion of the water main addition with Illinois-American.**
- Q. Has funding been obtained in anticipation of a January 1, 2003 occupancy date?**
- A. Yes. Funding has been received by Mitchell Public Water District from several sources, including the Illinois Department of Commerce and Community Affairs and Madison County Economic Development.**

**Q. Would this funding be in jeopardy if the January 1, 2003 in service date is not met?**

**A. Yes.** The Madison County Economic Development Loan to Mitchell Public Water District is committed only until December 31<sup>st</sup> 2002. If not used, the commitment will expire.

**Q. Does this conclude your direct testimony.**

**A. Yes.**